

MAINE STATE LEGISLATURE

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Legislative Record

OF THE

One Hundred and Seventh Legislature

(First Special Session)

OF THE

STATE OF MAINE

1976

KENNEBEC JOURNAL
AUGUSTA, MAINE

SENATE

Friday, February 27, 1976

Senate called to order by the President.

Prayer by The Honorable Guy A. Marcotte of Biddeford:

Grant, O Lord, with Thy continual help, that we may be masters of ourselves, better to be the servants of others. Amen.

Reading of the Journal of yesterday.

**Papers from the House
Joint Orders
State of Maine**

In The Year Of Our Lord One Thousand Nine Hundred and Seventy-six.

WHEREAS, The Legislature has learned of the Outstanding Achievement and Exceptional Accomplishment of Searsport High School Eastern Maine Class C Basketball Champions for 1976

WE the Members of the House of Representatives and Senate do hereby Order that our congratulations and acknowledgement be extended; and further

ORDER and direct, while duly assembled in session at the Capitol in Augusta, under the Constitution and Laws of the State of Maine, that this official expression of pride be sent forthwith on behalf of the Legislature and the people of the State of Maine. (H. P. 2104)

Comes from the House, Read and Passed.

Which was Read and Passed in concurrence.

State of Maine

In The Year Of Our Lord One Thousand Nine Hundred and Seventy-six.

WHEREAS, The Legislature has learned of the Outstanding Achievement and Exceptional Accomplishment of The Redskins of Sanford High School State of Maine Wrestling Champs For 1976

WE the Members of the House of Representatives and Senate do hereby Order that our congratulations and acknowledgement be extended; and further

ORDER and direct, while duly assembled in session at the Capitol in Augusta, under the Constitution and Laws of the State of Maine, that this official expression of pride be sent forthwith on behalf of the Legislature and the people of the State of Maine. (H. P. 2105)

Comes from the House, Read and Passed.

Which was Read and Passed in concurrence.

State of Maine

In The Year Of Our Lord One Thousand Nine Hundred and Seventy-six

WHEREAS, The Legislature has learned of the Outstanding Achievement and Exceptional Accomplishment of Hermon High School Hawks Eastern Maine Class B Girls Basketball Champions

WE the Members of the House of Representatives and Senate do hereby Order that our congratulations and acknowledgement be extended; and further

ORDER and direct, while duly assembled in session at the Capitol in Augusta, under the Constitution and Laws of the State of Maine, that this official

expression of pride be sent forthwith on behalf of the Legislature and the people of the State of Maine. (H. P. 2107)

Comes from the House, Read and Passed.

Which was Read and Passed in concurrence.

State of Maine

In The Year Of Our Lord One Thousand Nine Hundred and Seventy-six

WHEREAS, The Legislature has learned of the Outstanding Achievement and Exceptional Accomplishment of Hampden Academy Broncos Eastern Maine Class A Girls Basketball Champions

WE the Members of the House of Representatives and Senate do hereby Order that our congratulations and acknowledgement be extended; and further

ORDER and direct, while duly assembled in session at the Capitol in Augusta, under the Constitution and Laws of the State of Maine, that this official expression of pride be sent forthwith on behalf of the Legislature and the people of the State of Maine. (H. P. 2106)

Comes from the House, Read and Passed.

Which was Read and Passed in concurrence.

State of Maine

In The Year Of Our Lord One Thousand Nine Hundred and Seventy-six.

WHEREAS, The Legislature has learned of the Outstanding Achievement and Exceptional Accomplishment of Gary Speed Recipient of the Pierre Harnois Sportsman and Valuable Player Award as a Member of the Western Maine Class B Champions from Lake Region High School Basketball Team.

WE the Members of the House of Representatives and Senate do hereby Order that our congratulations and acknowledgement be extended; and further

ORDER and direct, while duly assembled in session at the Capitol in Augusta, under the Constitution and Laws of the State of Maine, that this official expression of pride be sent forthwith on behalf of the Legislature and the people of the State of Maine. (H. P. 2114)

Comes from the House, Read and Passed.

Which was Read and Passed in concurrence.

State of Maine

In The Year Of Our Lord One Thousand Nine Hundred and Seventy-six

WHEREAS, The Legislature has learned of the Outstanding Achievement and Exceptional Accomplishment of Game Warden Eric Wight of Medway the Author of the Song "The Walls of Quebec" which was composed in honor of our Nation's Bicentennial

WE the Members of the House of Representatives and Senate do hereby Order that our congratulations and acknowledgement be extended; and further;

ORDER and direct, while duly assembled in session at the Capitol in Augusta, under the Constitution and Laws of the State of Maine, that this official expression of pride

be sent forthwith on behalf of the Legislature and the people of the State of Maine. (H. P. 2119)

Comes from the House, Read and Passed.

Which was Read and Passed in concurrence.

State of Maine

In The Year Of Our Lord One Thousand Nine Hundred and Seventy-six

WHEREAS, The Legislature has learned of the Outstanding Achievement and Exceptional Accomplishment of Lake Region High School Boys Basketball Team Western Maine Class B Champions for 1976

WE the Members of the House of Representatives and Senate do hereby Order that our congratulations and acknowledgement be extended; and further

ORDER and direct, while duly assembled in session at the Capitol in Augusta, under the Constitution and Laws of the State of Maine, that this official expression of pride be sent forthwith on behalf of the Legislature and the people of the State of Maine. (H. P. 2115)

Comes from the House, Read and Passed.

Which was Read and Passed in concurrence.

State of Maine

In The Year Of Our Lord One Thousand Nine Hundred and Seventy-six

WHEREAS, The Legislature has learned of the Outstanding Achievement and Exceptional Accomplishment of The Huskies of Gould Academy Western Maine Class D Basketball Champions for 1976

WE the Members of the House of Representatives and Senate do hereby Order that our congratulations and acknowledgement be extended; and further

ORDER and direct, while duly assembled in session at the Capitol in Augusta, under the Constitution and Laws of the State of Maine, that this official expression of pride be sent forthwith on behalf of the Legislature and the people of the State of Maine. (H. P. 2102)

Comes from the House, Read and Passed.

Which was Read and Passed in Concurrence.

House Paper

Bill, "An Act Relating to the Trustees of the Dexter Utility District." (H. P. 2103) (L. D. 2269)

Comes from the House referred to the Committee on Public Utilities and Ordered Printed.

Which was referred to the Committee on Public Utilities and Ordered Printed in concurrence.

Study Report — Local and County Government

The Joint Select Committee on Local and County Government to which was referred the study relative to Incorporate Frye Island Village Corporation, pursuant to H. P. 1739 of the 107th Legislature, have had the same under consideration, and ask leave to submit its findings and to report that the accompanying Bill, "An Act to Incorporate the Frye Island Municipal Services Corporation" (H. P. 2109) (L. D. 2263) be referred to the Committee on Local and County

Government for public hearing and printed pursuant to Joint Rule 3.

Comes from the House, the report Read and Accepted and the Bill referred to the Committee on Local and County Government.

Which report was Read and Accepted and the Bill referred to the Committee on Local and County Government, in concurrence.

Study Report — Labor

The Committee on Labor to which was referred the study relative to the Unemployment Statutes of the State, pursuant to H. P. 1775 of the 107th Legislature, have had the same under consideration and ask leave to submit its findings and to report that the accompanying Bill, "An Act to Adjust the Disqualification Period for Voluntarily Leaving Employment and to Adjust Maximum Unemployment Benefits Paid to Individuals Discharged for Misconduct" (H. P. 2116) (L. D. 2265) be referred to this Committee for public hearing and printed pursuant to Joint Rule 3.

Comes from the House, the report Read and Accepted and the Bill referred to the Committee on Labor.

Which report was Read and Accepted and the Bill referred to the Committee on Labor, in concurrence.

Study Report — Labor

The Committee on Labor to which was referred the study relative to Unemployment Statutes of the State pursuant to H. P. 1775 of the 107th Legislature, have had the same under consideration and ask leave to submit its findings and to report that the accompanying Bill, "An Act to Charge Supplemental Weekly Benefits for Dependents to the General Fund Account of the State Unemployment Trust Fund" (H. P. 2117) (L. D. 2266) be referred to this Committee for public hearing and printed pursuant to Joint Rule 3.

Comes from the House, the report Read and Accepted and the Bill referred to the Committee on Labor.

Which report was Read and Accepted and the Bill referred to the Committee on Labor, in concurrence.

Study Report — Labor

The Committee on Labor to which was referred the study relative to Unemployment Statutes of the State pursuant to H. P. 1775 of the 107th Legislature, have had the same under consideration and ask leave to submit its findings and to report that the accompanying Bill, "An Act to Prohibit Payment of Dependency Allowances to Persons with a Spouse Employed Full Time" (H. P. 2118) (L. D. 2267), be referred to this Committee for public hearing and printed pursuant to Joint Rule 3.

Comes from the House, the report Read and Accepted and the Bill referred to the Committee on Labor.

Which report was Read and Accepted and the Bill referred to the Committee on Labor, in concurrence.

Study Report — Judiciary

The Committee on Judiciary to which was referred the study relative to Landlords and Tenants, pursuant to H. P. 1763 of the 107th Legislature, have had the same under consideration and ask leave to submit its Minority findings and to report that the accompanying Bill, "An Act to Establish the Maine Uniform Residential Landlord and Tenant Act" (H. P. 2098) (L.

D. 2258) be referred to this Committee for public hearing and printed pursuant to Joint Rule 3.

Comes from the House, the report Read and Accepted and the Bill referred to the Committee on Judiciary.

Which report was Read and Accepted and the Bill referred to the Committee on Judiciary, in concurrence.

Study Report — Judiciary

The Committee on Judiciary to which was referred the study relative to Landlords and Tenants, pursuant to H. P. 1763 of the 107th Legislature, have had the same under consideration and ask leave to submit its Majority findings and to report that the accompanying Bill, "An Act to Provide a procedure for Establishing Additional Exceptions for the Definition of Rental Units and to Clarify the Procedure for the Appointment of a Rent Control Administrator or Board under the Municipal Rent Control Law." (H. P. 2099) (L. D. 2259) be referred to this Committee for public hearing and printed pursuant to Joint Rule 3.

Comes from the House, the report Read and Accepted and the Bill referred to the Committee on Judiciary.

Which report was Read and Accepted and the Bill referred to the Committee on Judiciary, in concurrence.

Communications

STATE OF MAINE

One Hundred and Seventh Legislature
Committee on State Government

February 4, 1976

Legislative Council
107th Legislature
State House
Augusta, Maine 04333

Gentlemen:

In accordance with H. P. 1741 directing the State Government Committee to study Legislative Investigating Committees, P. L. 1975, c. 593, we enclose herein the final report and implementing legislation of the Committee.

Respectfully submitted,
THEODORE CURTIS, JR.

Senator

LEIGHTON COONEY
Representative

(H. P. 2113)

Comes from the House, Read and with accompanying papers Ordered Placed on File.

Which was Read and with accompanying papers Ordered Placed on File in concurrence.

January 28, 1976

Legislative Council
107th Legislature
State House
Augusta, Maine 04333

Gentlemen:

In accordance with your order creating a joint interim committee on railroad taxation and directing it study the railroad excise tax in Maine, I enclose herein the final report of the committee.

Respectfully Submitted,
SIDNEY D. MAXWELL,
Chairman

Joint Interim Committee
on Railroad Excise
Taxation
(H. P. 2110)

Comes from the House, Read and with accompanying papers Ordered Placed on File.

Which was Read and with

accompanying papers Ordered Placed on File in concurrence.

STATE OF MAINE

One Hundred And Seventh Legislature
Committee on Energy

February 13, 1976

Senator Jerrold B. Speers, Chairman
Legislative Council
State House
Augusta, Maine

Dear Senator Speers:

In accordance with House Paper 1540, directing the Committee on Energy to study the subject-matter of L. D. 746, "An Act Concerning Loans Made by Savings Banks For Housing Meeting Certain Energy Conservation Standards", we enclose herein the final report of the Committee.

Respectfully submitted,
JOHN B. ROBERTS

Co-Chairman, Energy Committee
ROBERT M. FARLEY

Co-Chairman, Energy Committee
(H. P. 2111)

Comes from the House, Read and with accompanying papers Ordered Placed on File.

Which was Read and with accompanying papers Ordered Placed on File, in concurrence.

STATE OF MAINE

One Hundred And Seventh Legislature
Committee On Energy

February 13, 1976

Senator Jerrold B. Speers, Chairman
Legislative Council
State House
Augusta, Maine 04333

Dear Senator Speers:

In accordance with House Paper 1728, directing the Committee on Energy to study the subject matter of L. D. 1746, "An Act Adjusting the Maine State Sales and Use Tax on Passenger Motor Vehicles in Accordance with Engine Efficiency", we enclose herein the final report of the Committee.

Respectfully submitted,
JOHN B. ROBERTS

Senate Co-Chairman,
Energy Committee

ROBERT M. FARLEY
House Co-Chairman,
Energy Committee

(H. P. 2100)

Comes from the House, Read and with accompanying papers Ordered Placed on File.

Which was Read and with accompanying papers Ordered Placed on File, in concurrence.

STATE OF MAINE

One Hundred And Seventh Legislature
Committee On Liquor Control

February 12, 1976

Legislative Council
107th Legislature
State House
Augusta, Maine

Gentlemen:

In accordance with H. P. 1499 which directed the Legislative Council, "through the Joint Standing Committee on Liquor Control to study the procedures, regulations and statutes governing the issuance of liquor licenses and the qualifications of liquor licensees," we

enclose herein the final report of the Committee.

Respectfully submitted,
LINWOOD E. GRAFFAM
Senate Chairman
SIDNEY D. MAXWELL
House Chairman
(H. P. 2101)

Comes from the House, Read and with accompanying papers Ordered Placed on File.

Which was read and with accompanying papers Ordered Placed on File, in concurrence.

Senate Papers Study Report — Judiciary

Mr. Collins for the Committee on Judiciary to which was referred the study relative to Expungement of Records, pursuant to S.P. 583 of the 107th Legislature, have had the same under consideration and ask leave to submit its findings and to report that the accompanying Bill, "An Act Repealing the Expungement Law and Providing for the Control of Access to and Disclosure of Criminal History Record Information" (S. P. 730) (L. D. 2273) be referred to this Committee for public hearing and printed pursuant to Joint Rule 3.

Which report was Read and Accepted and the Bill referred to the Committee on Judiciary.

Sent down for concurrence.

Orders

On motion by Mr. Gahagan of Aroostook, WHEREAS, the People of Maine have established the authority delegated by the Constitution of Maine; and

WHEREAS, the People of Maine have delegated to the Legislature the power to control spending and taxation; and

WHEREAS, the Members of the Maine Legislature are both entitled and obligated to perform that task; and

WHEREAS, a state and national financial crisis exists which, through inflation, has seriously curtailed the purchasing power of State Government; and

WHEREAS, existing services exceed the ability of Maine people to support them financially; and

WHEREAS, a comprehensive review of existing and pending state and federal mandates and initiatives is an essential first step in controlling this financial crisis; and

WHEREAS, this crisis is most essentially a financial matter, now, therefore, be it

ORDERED, the House concurring, that the Joint Standing Committee on Appropriations and Financial Affairs and other committees deemed appropriate by the Legislative Council be directed forthwith to make a comprehensive review and evaluation in order to establish the state's degree of fiscal commitment and to make such recommendations for the elimination of programs on a priority basis which the State can no longer financially sustain; and be it further

ORDERED, that the committee shall request the advice and recommendations of the Honorable James B. Longley, Governor of the State of Maine, concerning this survey and the development of a program for legislative consideration in order to prevent any duplication of effort and to achieve the best possible coordination of effort upon final implementation of this program; and be it further

ORDERED, that the study of any

subject or matter adjudged by the committee to be relevant or germane to the subject of this Order shall be deemed within the scope of the committee's inquiry; and be it further

ORDERED, that the committee report its findings and recommendations, including any suggested legislation, to the next special or regular session of the Legislature. (S. P. 731)

Which was Read.

The PRESIDENT: The Chair recognizes the Senator from Aroostook, Senator Gahagan.

Mr. GAHAGAN: Mrs. President and Members of the Senate: Yesterday in this chamber, there were not even enough votes for my joint order to obtain a roll call; yet today I am before you once again to present a revised and amended order. My respect for the Senate fellowship compels me to tell you why I am doing this in spite of yesterday's discouraging response.

In passing this joint order, the Senate would be taking a first step in binding up the wounds in the body politic of our state. We have allowed ourselves to become hopelessly divided by focusing our attention on only one issue in what is very much a broader problem.

We persist in arguing about sums of money when we should be teaching each other and every citizen of this state about money's loss in value. We persist in struggling with this one area of state obligation, when we should have been discussing all state obligations on a priority basis. We persist in asking our fellow citizens to pay more dollars, when we should be asking them what they would be willing to sacrifice in state services.

That is why we are in this position today, with scarcely anyone in this legislature really supporting the approach represented here. If we could agree to do the basic task proposed in this joint order much of this gloom could be dispelled. The people of Maine would know we had made our beginning and we would know as well. We could turn to our task with a much lighter heart.

Yesterday's discussion of this joint order never really discredited the idea. Like much of our work with the education funding compromise, yesterday's discussion missed the basic point: That the action which this joint order proposes must come first if we are to solve our problems in a convincing way.

Senator Huber said that he was moving indefinite postponement because the task had been given to the Legislative Council. The logical question is "has the Legislative Council even started this task yet?" The answer, of course, is "No." One might well ask, too, if the mechanism proposed in this joint order is not in fact much better than the one we would use through the Legislative Council, but Senator Huber did not discuss that. Instead, he said that the order "is totally extraneous and a waste of our time." That is just not true.

If the Legislative Council has been given a task; and has not even begun that task, then an order proposing an alternative method is right to the point. As far as the order being "a waste of our time" is concerned, every speaker yesterday agreed the task was worthwhile; yet no speaker other than myself was willing to admit we have done nothing about accomplishing it. That makes discussing the order a worthy use of our time; and in fairness to the idea itself, we should have

been discussing it on more neutral ground than an immediate motion to indefinitely postpone.

Senator Speers agreed with me that the task was the responsibility of the legislature, and he talked of a position that leadership took one month ago. Then he said that the first priority was educational funding and the second priority is dealing with the budget. At the very least, I think Senator Speers would agree that the decision to make educational funding the first priority and dealing with the budget the second priority did not come from a comprehensive review of spending programs on a priority basis.

If we look more closely at that statement, Senator Speers is agreeing with me in another way, too. We have put educational funding first; we have placed the job of dealing with the rest of the budget second. This is what I have been saying all week. Even though we all know it is true; we have stayed in this ridiculous lockstep, telling ourselves we "must pass something." We should pass something, but not under these circumstances, and not without looking at overall state obligations first.

Senator Speers objected that the Appropriations Committee was being asked to do what he called "the most difficult task to be faced in this legislature." He is agreeing that this is "the most difficult task to be faced in the legislature" but took exception to the method. I heard his objection and redrafted part of the order to provide a broader approach to the problem. I am presenting it to you in that form today.

Senator Conley referred to his experience on past Appropriations Committees, describing the review process in passing budgets from the departments to the Governor, and to the Appropriations Committee. The process he described has not been effective under the conditions we face in the 107th Legislature. There are differences between 1975 and 1976 and the prior years during which Senator Conley served. The principal difference is that beginning in January, 1975, the executive leadership of the United States officially acknowledged the existence of a serious and continuing financial crisis in our nation and the world. We can learn a lot from the federal government's experience in trying to deal with this problem. The call for national austerity has led to a tremendous struggle between the military-industrial complex and social services, resulting in 1975 in the largest peacetime addition to our massive federal deficit in our nation's history. Inflation and the power of the multinational conglomerates shoved the Congress's new Joint House-Senate Budget Committee inexorably backward.

People in America are being forced by inflation to sacrifice, but they are not trying as a people to straighten out the national money mess by sacrificing even more to achieve a balanced budget.

The lesson for Maine in this is that we are in exactly the same position, only worse; we cannot print on a bank's promise to pay, one out of every five dollars we spend. We are forced to tax for our money to balance our budget. We can look around us now and see an interesting new twist on an old truth; that surprisingly small sums of money from the federal level already have tremendous power to control policy in our state. If this sounds familiar, consider how few of those dollars were moving in 1932, and how many are moving now, with no relief in sight.

Under these circumstances, if we were to develop a legislative budget process like the present congressional one, we would have no borrowing power for current services to back us. With the prospect before us of taxing harder to sustain the lost value of money, our legislature would come to a crashing halt in a way that would make the educational funding controversy look pale by comparison.

We need to be much wiser than that, creating a process which can proceed while the rest of this legislature does its work with a clearer, less troubled mind. The process quite rightly should consist of the elected representatives and an elected governor, if he is willing.

Senator Curtis yesterday took exception to requesting Governor Longley to assist in this process personally, calling the request "dangerous." I sat there thinking that the control of the \$250 million of state money and \$250 million of local money had been given to an appointee of the executive branch along with the direct power to tax through another executive appointee.

The uniform property tax and the access to the general fund give part of the executive branch virtual control of our state finances. This system isn't really changed much by the compromise, because the fiscal engine remains intact. Even if the Legislature looks at the numbers which the executive Department furnishes, the power to lay and collect the tax remains with the Bureau of Taxation.

How ironic it is that our efforts at tax reform have resulted in state tax liens on the land of every community in the state.

The creators of the "We're All In This Together" buttons were literally correct. Our state has been partly transformed into a giant administrative government, and I can't help wondering how the tax liens on property would be worked out if there were town failure and defaults.

Under the circumstances, I am not at all anxious about inviting our elected Governor to sit down with us to discuss the budget.

I am presenting this Joint Order to you today, not as a man with the answers; but as a man with a good question. Why must we continue in this unproductive struggle which so completely misses the point, when we could be seeking more basic solutions?

We have allowed ourselves to turn government over to hired administrators who are supposed to operate the levers of government in our absence, and this is wrong. We just can't afford it.

Because my Joint Order is an answer to this expensive and unaffordable approach to running our state's finances, I want to tell you today that the Federal Advisory Commission on Intergovernmental Relations is a 26-member commission. Fourteen of the seats on that commission are controlled by the Public Administration Clearing House, which consists of the Council of State Governments, National League of Cities, National Governor's Conference, International City Management Association, and National Association of Assessing Officers, among others. Few people in Maine realize that we have been in a quandary for five weeks in the Maine Legislature over a program which has had its philosophical and technical beginnings in this national public administration lobby.

Even Senator Muskie could not have foreseen how quickly their power and authority would grow when he sponsored

the act creating the commission in 1959. Lots of lobbies write and promote legislation, but it is wrong to support these lobbies with taxpayers' dollars or tax-exempt foundation grants. Public administration professionals are the direct beneficiaries of the increased power and authority which their model legislation gives them when we enact it. They are a professional, special interest and should not have this government sanction. I know what I'm talking about because I have been educated in this profession.

The organization names are very misleading in the sense that they sound quasi-governmental, yet they once could not be found by name in the United States or Maine Constitutions. I regret to say that many of their programs and names now appear in our state constitution and statutes.

It is time we did things ourselves once again. We have been saying that we must pass something so the waiting towns can pass their town budgets. The real truth is that we did away with town government's fiscal control when we passed this law, and all in the name of home rule.

Towns cannot regain fiscal control until the state regains control, and that requires our commitment today to do this.

We need economic facts; and we also need facts about people's willingness to sacrifice. This properly comes directly from the people. We want the individual citizens to write us or come to our hearings to tell us what they are willing to sacrifice to permit us to balance our state budget.

In a sense, I am taking a personal political risk in recommending this important beginning; but I will stand behind it and offer to accept a personal responsibility to do it.

We have not been asked how we might sacrifice to make do with what we have. I would like to offer you these words from the book "Ten Acres Enough," written by Farmer James Miller in 1864:

"All that is most valuable can be had for nothing. They come as presents from the hand of an indulgent father, and neither air nor sky, nor beauty, genius, health, or strength, can be bought or sold. Whatever may be one's condition in life, the great art is to learn to be content and happy, indulging in no feverish longings for what we have not, but satisfied and thankful for what we have."

Mr. President, I ask for a roll call.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Merrill.

Mr. MERRILL: Mr. President and Members of the Senate: I am going to oppose this joint order today, not because I am unsympathetic with much of what the Senator from Aroostook, Senator Gahagan, said, but because I don't think his order really addresses the problem as immediately and as completely as it should.

The final line of this joint order is that the result of this study should be that legislation should be offered to the next regular session. I think it is up to this special session to take some action. For that reason, I have worked on and there is legislation that is before the Reference of Bills Committee, which I hope will be let in, that would change substantially the budget process in this legislature, and I think that it has to be.

I think that where this joint order falls short is in its approach, not in the problems that it points to. I think we have got to change the budget process so that early on in the legislature's convening the whole legislature will have a chance to

look at the priorities, have a chance to look at the ceiling, have a chance to look at the tax mix, and to set some targets. And at the end of the legislative process, we should look at those targets and either adjust them or live with them.

I think that legislation has been offered that can accomplish that, and it can be accomplished so that we can begin in that way in the 108th, and not begin by just looking at the problem in the 108th, as this joint order would have us do.

I also would like to say that the problem of taxation and appropriations are overlapping problems, and there has to be some committee that takes a look at all of these.

Finally, I would agree with Senator Gahagan. The very fact that we have to enact the education bill before we enact the others, because of the problems that the towns face, and the pressure that that puts us under, forces us to reevaluate our process so that in the future before we enact the bill that allocates the money for education we have looked at everything else. I think it is necessary and I think we should do it. This joint order won't accomplish that for the 108th, however, and I think that we have to accomplish it here and now. Therefore, I am going to move the indefinite postponement of this order and ask the Senate to vote with me, and then I think we can consider other legislation as it comes along.

The PRESIDENT: The Chair recognizes the Senator from Aroostook, Senator Gahagan.

Mr. GAHAGAN: Mr. President, I request a roll call.

The PRESIDENT: A roll call has been requested. The pending motion before the Senate is the motion by the Senator from Cumberland, Senator Merrill, that this joint order be indefinitely postponed.

In order for the Chair to order a roll call, it must be the expressed desire of one-fifth of those Senators present and voting. Will all those Senators in favor of a roll call please rise in their places until counted.

Obviously more than one-fifth having arisen, a roll call is ordered.

The Chair recognizes the Senator from Aroostook, Senator Gahagan.

Mr. GAHAGAN: Mr. President, I only would like to make one point: that if you read the order, which is on page 9 of your Senate advance calendar, the Joint Standing Committee on Appropriations and Financial Affairs and other committees deemed appropriate by the Legislative Council be directed forthwith to make a comprehensive review and evaluation in order to establish the state's degree of fiscal commitment.

The PRESIDENT: Is the Senate ready for the question? The pending question before the Senate is the motion by the Senator from Cumberland, Senator Merrill, that this joint order be indefinitely postponed. A "Yes" vote will be in favor of indefinite postponement; a "Nay" vote will be opposed.

The Secretary will call the roll.

ROLL CALL

YEAS: Senators Berry, E.; Berry, R.; Collins, Conley, Corson, Cummings, Graham, Huber, Merrill, Pray, Reeves, Speers, Thomas, Trotzky.

NAYS: Senators Carbonneau, Clifford, Curtis, Gahagan, Graffam, Greeley, Hichens, Jackson, Johnston, McNally, O'Leary, Roberts, Wyman.

ABSENT: Senators Cianchette, Cyr, Danton, Katz, Marcotte.

A roll call was had. 14 Senators having voted in the affirmative, and 13 Senators

having voted in the negative, with five Senators being absent, the motion prevailed.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY: Mr. President, regarding the preceding item, having voted on the prevailing side, I move reconsideration.

The PRESIDENT: The Senator from Cumberland, Senator Berry, now moves the Senate reconsider its action whereby it indefinitely postponed Senate Paper 731. Will all those Senators in favor of reconsideration please say "Yes"; those opposed "No".

The Chair recognizes the Senator from Aroostook, Senator Gahagan.

Mr. GAHAGAN: Mr. President, I request a roll call on reconsideration.

The PRESIDENT: A roll call has been requested. In order for the Chair to order a roll call, it must be the expressed desire of one-fifth of those Senators present and voting. Will all those Senators in favor of a roll call please rise in their places until counted.

Obviously more than one-fifth having arisen, a roll call is ordered. The pending question before the Senate is the motion by the Senator from Cumberland, Senator Berry, that the Senate reconsider its action whereby it indefinitely postponed Senate Paper 731. A "Yes" vote will be in favor of reconsideration; a "No" vote will be opposed.

The Secretary will call the roll.

ROLL CALL

YEAS: Senators Carbonneau, Clifford, Curtis, Gahagan, Graffam, Hichens, Jackson, Johnston, McNally, O'Leary, Roberts, Wyman.

NAYS: Senators Berry, E.; Berry, R.; Collins, Conley, Corson, Cummings, Graham, Greeley, Huber, Merrill, Pray, Reeves, Speers, Thomas, Trotzky.

ABSENT — Senators Cianchette, Cyr, Danton, Katz, Marcotte.

A roll call was had. 12 Senators having voted in the affirmative, and 15 Senators having voted in the negative, with five Senators being absent, the motion did not prevail.

Committee Reports House

The following Ought Not to Pass reports shall be placed in the legislative files without further action pursuant to Rule 17-A of the Joint Rules:

Bill, "An Act Concerning the Protection of Inland Areas Against Damage Caused by Oil Spills." (H. P. 1947) (L. D. 2133)

Bill, "An Act Requiring Disclosure of Communications Made by Elected Public Officials to Sensitive Regulatory and Loan Granting Governmental Bodies." (H. P. 1994) (L. D. 2175)

Bill, "An Act to Provide Supplemental Appropriations for Summer Programs for Exceptional Children." (H. P. 1878) (L. D. 2053)

Bill, "An Act Providing Automatic Cost-of-Living Wage Supplements for State, Maine Maritime Academy and University of Maine Employees." (H. P. 1806) (L. D. 1965)

Bill, "An Act Increasing State, Maine Maritime Academy and Classified and Unclassified University of Maine Employees' Pay." (H. P. 1808) (L. D. 1967)

Bill, "An Act to Increase Classified and Unclassified State Employees' Pay." (H. P. 1813) (L. D. 1980)

Bill, "An Act Increasing all State, Maine Maritime Academy and University of

Maine Employees' Pay." (H. P. 1845) (L. D. 2010)

Bill, "An Act to Provide a Pay Increase to State, Maine Maritime Academy and University of Maine Employees." (H. P. 1932) (L. D. 2120)

Leave to Withdraw

The Committee on Fisheries and Wildlife on, Bill, "An Act to Designate Certain Rivers as Salmon Trophy Rivers." (H. P. 1969) (L. D. 2158)

Reported that the same be granted Leave to Withdraw.

Comes from the House, the report Read and Accepted.

Which report was Read and Accepted in concurrence.

Ought to Pass — As Amended

The Committee on Marine Resources on, Bill, "An Act Prohibiting the Use of Seine or Gill Nets on a Certain Portion of the Union River." (H. P. 1945) (L. D. 2131)

Reported that the same Ought to Pass as Amended by Committee Amendment "A" (H-927)

Comes from the House, the Bill Passed to be Engrossed as Amended by Committee Amendment "A"

Which report was Read and Accepted in concurrence and the Bill Read Once. Committee Amendment "A" was Read and Adopted in concurrence and the Bill, as Amended, Tomorrow Assigned for Second Reading.

The Committee on Appropriations and Financial Affairs on, Bill, "An Act Concerning Certain Financial Guarantees to be Made to Pine Tree Sugar Beet Growers, Inc., by the Maine Guarantee Authority." (H. P. 1861) (L. D. 2032)

Reported that the same Ought to Pass as Amended by Committee Amendment "A" (H-933).

Comes from the House, the Bill Passed to be Engrossed as Amended by Committee Amendment "A"

Which report was Read.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Merrill.

Mr. MERRILL: Mr. President and Members of the Senate: I don't have certainly any strong opinion about this, but I would like to get some more information before we move with it in the Senate. I wonder if somebody might table it until the beginning of next week?

The PRESIDENT: The Chair recognizes the Senator from Penobscot, Senator Pray.

Mr. PRAY: Mr. President, I move this item lay on the table for one legislative day.

The PRESIDENT: The Senator from Penobscot, Senator Pray, now moves that Item 6-11 be tabled for one legislative day, pending acceptance of the committee report. Is this the pleasure of the Senate?

The Chair recognizes the Senator from Kennebec, Senator Speers.

On motion by Mr. Speers of Kennebec, a division was had. 13 having voted in the affirmative, and 14 having voted in the negative, the motion did not prevail.

The PRESIDENT: The Chair recognizes the Senator from Penobscot, Senator Curtis.

Mr. CURTIS: Mr. President, I request a roll call.

The PRESIDENT: The Senator from Penobscot, Senator Curtis, now requests a roll call on the acceptance of the committee report. In order for the Chair to order a roll call, it must be the expressed

desire of one-fifth of those Senators present and voting. Will all those in favor of a roll call please rise in their places until counted.

Obviously more than one-fifth having arisen, a roll call is ordered.

The Chair recognizes the Senator from Aroostook, Senator Gahagan.

Mr. GAHAGAN: Mr. President, I would like to make one basic point on this item. This is an act concerning financial guarantees to be made to Pine Tree Sugar Beet Growers by the Maine Guarantee Authority. This bill does not involve any new monetary commitment on the part of the State of Maine. It does not involve any new monetary commitment on the part of the State of Maine.

The Appropriations Committee has worked very hard and diligently on this matter, both with the Triple A Sugar Corporation and the Attorney General's Office, and we have had much struggling within the committee to make sure that we were not obligating the state to any additional money in this bill.

What this bill will do is provide that, regarding the Nordic Sugar Company, in the unlikelyhood that it should win a suit against the State of Maine, that the state, upon receipt of the 1.8 million dollars from Nordic Sugar Corporation, which it had agreed to pay for the plant, that the state would in turn pay that money to the farmers for the amount of the renovations that they have put into the plant. It is, in effect, a wash transaction.

The farmers have paid \$200,000 as a down payment for their purchase of this plant. The relationship which they have between the Patzenhofer group and the ACLI group is that they will grow beets with their percentage of the corporation.

The Patzenhofer and ACLI people are going to be putting in better than 2 million dollars to put this plant back in shape. All that they are asking is that for any monies that they put into the plant, up to 1.8 million dollars, that they be reimbursed for that amount from the proceeds of the sale to Nordic.

There is absolutely no new commitment of funds or guarantees on the part of the State of Maine. It is a very small part of the total amount of money that has been invested in this industry to date by the State of Maine.

The law suit is a frivolous law suit. It is designed by Nordic as an attempt to prevent this sugar beet industry from going into Aroostook County. There are two basic reasons why it is frivolous: one, Mr. Vahlsing did not comply with the terms of the counteroffer of Maine Guarantee Authority which it rescinded. When he came in with his down payment, he didn't come in with the 1.8 million dollars that had been requested by Maine Guarantee Authority. He didn't pay what he said he was going to pay.

Now, up in the County when they began operations for the renovation of this plant there was no stop order placed. There was no order that went through the courts by Nordic Corporation to try to stop this plant from getting into operation. If he had been serious about this order, and not just wanting to mix up the works and prevent the farmers from getting this thing off the ground, if he had been serious, he would have put a stop order in.

The best legal opinions that we have are that this suit will not prevail. But if it does prevail, we are providing some protection for the farmers who are putting money into the plant, to the extent that they will be reimbursed for only the amount that

they have put into the plant up to 1.8 million dollars, which is the exact amount that Fred Vahlsing will have to pay for the plant if the court rules that Nordic should be given the plant. This is only fair and this is only equitable.

Put yourself in the position of buying a house from someone who didn't have clear title, and you put money into renovating this house, and then a third party came in and said "That is my house and I am going to take it back." Wouldn't you, as the buyer, expect to be paid back for the money that you had put into that house under a clear title? And in this instance, Fred Vahlsing is the third party that is coming. He is saying that the farmers don't have clear title, that it is his plant. And the farmers are saying to the state, O.K., if Fred Vahlsing gets the plant and pays for it, then we want to be reimbursed up to 1.8 million dollars, which is the money that Fred Vahlsing is going to pay in.

Now, if the farmers have not put in 1.8 million dollars, then they are not going to be reimbursed. They are only going to be reimbursed for the actual amount of dollars that they have put in. If they have only put in 350,000 or 400,000 dollars, that is all they are going to be reimbursed, and the state will come out ahead. The state will come out ahead because the state is going to be getting 1.8 million from Nordic Sugar Corporation.

Now, if this suit drags on for three or four years, which it may, we have another piece of protection here for the State of Maine. And that protection is that, as this plant begins to operate — and we are right at the deadline today, which is why I am very pleased that the Senate did not table this, because you may well have killed the whole thing — if the plant makes money in the first year, 60 percent of those operating profits are going to be used to decrease that 1.8 million dollars. So that if Freddy ultimately wins, the farmers will be repaid 1.8, less 60 percent of their operating profits. So if this thing runs out several years, and they make money each year, the state may be repaid that 1.8 million dollars. This is an added protection that we put in. This was a compromise, and I think it was a very good and fair one for the State of Maine, so that the plant just can't go up and operate and make a lot of money and then, if Freddy wins the suit, they get their 1.8 million back too. You see, this is going to guarantee that if they make money they are going to reduce the state's obligation for that 1.8 million.

This has been very carefully studied by the Committee on Appropriations and Financial Affairs, and we have sitting before us today a unanimous report. I repeat, there is no new money that is being risked by the State of Maine. What you are doing is saying we believe the farmers are going to make this plant go and are going to make this industry go. We believe it, and we are not going to be stopped from starting this industry by a frivolous law suit which has been placed by a man that the state has never been able to get into court. He has never been to court, not once. In all the suits that have been coming since this sugar beet industry started, not once has he gone to court. It has always been settled outside. And that is what he is trying for right now. He is trying to use this as a lever on the State of Maine to say, look, I can prevent this from happening; what is it worth to you, what are you going to pay me for it. If we don't pass this bill, we are going to be playing right into his hands.

For those of you who have been around

here — and I grew up just a few miles from the plant; I remember all this — this is just typical tactics, very typical. As a matter of fact, for those of you in business, you know that you can finance court suits. If you have got a court suit, you can go to a bank and say I am going to win this court suit and I want to borrow some money against it. There are so many things that I think we should just say that we want to have nothing to do with, and one of them is Nordic Sugar Corporation and this frivolous law suit. We have got to get this industry going, and we must pass this bill today if we want to get an industry started.

If you want to get a tax base — and this is one of the things that I have been very interested in, providing a new tax base for the State of Maine — we have got to do it in the private sector. We are going to be starting out here with 200 jobs right within the very next few weeks in Aroostook County. About 300 jobs are going to be generated outside of the actual plant itself. There has been additional employment at the lime plant down in Rockland just gearing up in anticipation of the lime that is going to be required by the farmers in Aroostook County to grow the sugar beets. I have never seen the farmers so together. This has brought them together. The fight that has been going on with Nordic has had the result of putting these farmers together like they have never been before. They have got their 15,000 acres and they are ready to go. It is getting late, it is getting very, very late. And this bill stayed in committee just so that we could have it perfect before you today. This is the very best that I believe this Appropriations Committee can do in cooperation with the Attorney General.

Although it may be a risk, it is a risk worth taking. The risk is that the state might not regain anything. But the state will not be putting in any new money and no new guarantees.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Merrill.

Mr. MERRILL: Mr. President, I didn't want to debate this today because, frankly, I know practically nothing about it, and I certainly don't want to be in a position of denying the farmers in Aroostook a chance for a second crop. But I think that anyone who has lived in Maine for more than a day knows the political problems that can go with this and the financial problems that can go with it, and we deserve an explanation a little more lucid than the explanation just given by the Senator from Aroostook.

Now, if I understand correctly, and maybe I don't; but if I understand correctly, the state has a mortgage interest in this plant now, and we have to lose that mortgage interest. If I have mortgage interest in a building to the nature of 1.8 million, and I do something that could give away that mortgage interest, I am losing something, or at least that is what it seems to me as just an ignorant onlooker at this whole debate.

Certainly, if the suit is frivolous, as stated by the Senator from Aroostook, Senator Gahagan, then we have nothing to fear, Patzenhofer has nothing to fear, and the farmers of Aroostook have nothing to fear. If it is a frivolous suit, the lawyers can say so, and what is the problem?

I am not locking up my position on this bill. I think that I might very well be able to vote for it, but I am not going to vote for it on the basis of the explanation that we

have presently been given, which is contradictory on its face and so ludicrous that anybody that could vote for it on that basis I think would be doing the state a great disservice, to the tune of close to 1.8 million dollars.

The PRESIDENT: The Chair recognizes the Senator from Aroostook, Senator Johnston.

Mr. JOHNSTON: Mr. President and Members of the Senate: Unlike Senator Merrill, I am not just an onlooker relative to the sugar mill at Easton. But like Senator Merrill, I was not prepared to debate this issue today. I just want to make a couple of points.

One is that it has been reported and mentioned in debate that I am going to oppose this bill. I am not going to oppose this bill. I have some serious questions that I want to ask about this bill, and I have some serious answers to what I believe might be some serious questions from members of this body about this bill and about that mill.

I worked last year at this time, from election time in November until late in March, as a kind of liaison between Mr. Jack Daigle from Portland, who represented the Governor in this matter, and Mr. Vahlsing, who represented the Nordic Sugar Company in this matter, and members of the Maine Guarantee Authority and other people. At the time there were various and sundry people and corporations interested in buying that plant. The price of sugar a year ago today was 43 cents a pound in New York. Today it is 18 cents a pound in New York. One of the serious problems that we have getting our mill started is the difference in those two prices. We may still be able to do it, but I don't think we can do it until the members of this body and other people who are going to have to be interested in this in the next few days have a fairly workable knowledge about what is going on over there.

What I would like to do over the weekend and the first few days of next week is to be available to answer any questions that you might have as to whether or not there is a gamble on the state's part with respect to this document, whether or not with respect to the production of sugar beets and the refining of those beets at Easton there is a sizable risk there and what it is, and whether or not there are any alternatives to this bill.

There is an alternative to this bill, and I don't want to debate the frivolity of any law suits, but I can tell you that what I know about the law, and what I know after working for five months as a liaison in this matter, that the people who have brought this law suit will not die easily and it will cost some money to fight it. Whether or not they are using it as a lever, I don't know, but I do know that it is not a frivolous law suit. And I do know that there is an alternative. And I do know that my support and your support of this bill will not make or break the sugar industry. What is going to make or break the sugar industry in this state is the same thing that broke it ten years ago or might make it tomorrow, and that is the price of sugar.

So I think we should go ahead here and accept the committee's unanimous report. I think they did a fine job in rewriting the bill here. They attempted to protect the state with the amendment here, and I think they did a fine job doing that. I think we should accept their report, and I think we should debate this, but this is a very, very complicated issue. And one of the tools that we are going to need the whole

time that we are debating it is the Wall Street Journal and the sugar quotes.

The PRESIDENT: The Chair recognizes the Senator from Penobscot, Senator Pray.

Mr. PRAY: Mr. President, I would like to pose a question through the Chair to the Senator from Aroostook, Senator Gahagan, in reference to a statement he made that today's date was the deadline. I would like to know in what instance he was referring that to. And the second question I would like to ask him is that I have, from talking to a number of people from the Aroostook delegation within the legislature, heard of the phantom existence of acreage. I believe ten years ago certain amounts of acres were raised, and when it came time for the planting of sugar beets there was a lot less than what was actually pledged to the sugar beet industry.

The PRESIDENT: The Senator from Aroostook, Senator Pray, has posed a question through the Chair to the Senator from Aroostook, Senator Gahagan, who may answer if he so desires.

The Chair recognizes that Senator.

Mr. GAHAGAN: Thank you, Mr. President. In response to the Senator from Penobscot, Senator Pray, when the Appropriations Committee met last week, the growers' group was down with their attorney, who represents the industry plant operator. As you know, we are coming into spring and it is necessary to purchase the seed for the crop. It is also necessary to make the arrangements to get the fertilizer. We also have several licenses to apply for at the federal level, which take 180 days, which takes you right up into the growing season.

It is very important, now that we have worked on this bill and presented what we feel is a fair and accurate bill, to put this bill through the legislature as expeditiously as possible.

In response to Senator Pray's second question concerning phantom acreage, we have been told by the growers' representatives, and many growers themselves were here at the hearings, who have indicated that their money is on the line and their acreage has been allocated, that they have committed the sugar beet crop that they are growing to the sugar beet refinery. They have also provided that should any commitments that are presently held by the growers group, by individual farmers, if the individual farmers don't grow, they will be penalized on a per crop basis. So there is, I believe, adequate incentive to grow for the refinery, and there is also an added incentive in that they will be penalized if they don't grow on a cost per acreage.

The PRESIDENT: The Chair recognizes the Senator from Aroostook, Senator Johnston.

Mr. JOHNSTON: Mr. President and Members of the Senate: The answer to Senator Pray's question is 15,000 acres, plus or minus 15,000 acres. The answer to the second half of his question is that ten years ago it was 33,000 acres, plus or minus a few acres. Ten years ago the 33,000 acres did not materialize. That was in the old days of the sugar quota; you had to have the 33,000 acres in order to get the plant built. There was a lot of hustling on the part of all of us around Maine to get that plant built, so we signed up to 33,000 acres and we didn't grow on them. The 15,000 acres that we are talking about now I think would be forthcoming. There is a substantial difference between the price of the tonnage of beets that comes off those

15,000 acres and the tonnage of potatoes that would come off them, a substantial difference in money, but I think the desire to make this industry grow is there. I think these guys will grow the beets.

Whether or not today is the deadline for anybody to grow sugar beets, being a farmer myself, I would very seriously have to question whether or not we would have to make up our minds today. I think we have some time to consider this legislation and what it is going to do for the beet industry. I think we also have some time to consider what may be a very, very serious alternative to this piece of legislation, and if that alternative were to manifest itself as a fact over the next few days, we may be able to substantially reduce the state's exposure, which is considerable right now, we hold a mortgage on this plant, and we may be able to substantially reduce the growers' cooperative and their exposure to Mr. Vahlsing's lawsuit, to Nordic's lawsuit, we may be able to substantially help that cooperative and the Austrian firm and the New York firm that have formed a company now, known as Triple A Sugar, in their efforts and all of our efforts to get the mill going. So, I agree essentially with the things that Senator Gahagan is saying but whether or not you have to fire a cannon here and make a decision today, I would seriously question that.

The PRESIDENT: The Chair recognizes the Senator from Aroostook, Senator Gahagan.

Mr. GAHAGAN: Mr. President and Members of the Senate: I certainly do not want to give the appearance that we are trying to fire a cannon, that there is a big hammer about to fall today. If I said a deadline, I must correct my statement to mean we are approaching a deadline. We are approaching a deadline at which time the farmers must begin to prepare not only the seed, the fertilizer, but the money that they are going to need to plant these beets. There are many, many people who are going to have to go to work in this plant very soon so that we will be ready to get this industry rolling this spring.

I think that we should take all due consideration to study this matter. Yesterday afternoon, I believe it was the day before yesterday, the Aroostook delegation was in Room 228, everyone was invited to attend, we had several people from the House down there, and an informal discussion of what this bill means to Aroostook County. The representatives there were from all parts of the state, they were very helpful in their questioning, and I think you will find that all the members of the Aroostook delegation will be equally helpful to any member of the Senate who wants to know any of the details, the impact of this bill. I think we should give it our very fair and careful consideration, and I think that this you will find is a very fair and equitable bill.

The PRESIDENT: The Chair recognizes the Senator from Penobscot, Senator Curtis.

Mr. CURTIS: Mr. President and Members of the Senate: I asked for a roll call so that I might understand a little bit more of the situation, and I guess I do understand a little bit more now. The way that I understand it basically is that some folks made a fair business deal arranging for the purchase of something that belonged to the State of Maine, and that now they would like an additional guarantee from the state. I read the amendment on the pink sheet here, under Filing 933, and section 1, the very first

language says, "The Maine Guarantee Authority shall guarantee", and very frankly, I become quite suspicious when I see that language.

It seems to me that we have heard a great deal in the last few days about fiscal responsibility. I think that the folks who are involved in business and have made a \$200,000 down payment, and expect to sink some more money into some improvements and so forth, understand the business risks in this world. And it seems to me that perhaps the citizens of this State of Maine, who, as I understand it, have now at this point paid up to \$10 million dollars and not gotten anything back from their investment for this industry, perhaps do not understand the business world quite so well. But I think it is perhaps time that we in this legislature started acting, rather than like some backwood hicks like we perhaps have been over the years in this particular arrangement in Easton, Maine, started acting like the yankee traders that we should be.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Conley.

Mr. CONLEY: Mr. President, I would pose a question through the Chair to any of the knowledgeable members of the Aroostook County delegation relative to this matter. The good Senator from Penobscot certainly has raised a question relative to the amendment where the Maine Guarantee Authority shall guarantee, obviously pledging again the state's credit, and I would just ask them if the Maine Guarantee Authority has already rejected this?

The PRESIDENT: The Senator from Cumberland, Senator Conley, has posed a question through the Chair to any Senator who may care to answer.

The Chair recognizes the Senator from Aroostook, Senator Johnston.

Mr. JOHNSTON: Mr. President and Members of the Senate: I rise not because I am the most knowledgeable Senator from Aroostook County but because the other fellow did not get up.

This proposition was made to the Maine Guarantee Authority and they rejected the proposition for various reasons. I remember a year ago when we were trying to get the mill going at 45 cent sugar, and we had an awful lot of people interested at the time that seemed to have an awful lot of money. They would just melt when they got to the Maine Guarantee Authority's door. Finally Nordic made what appeared to be a firm offer, and there was a tremendous amount of political pressure brought to bear on the members of the Maine Guarantee Authority. And since that time I think a lot of very harsh words have been spoken relative to the members of the Maine Guarantee Authority.

This sugar factory, let's call a spade a spade, has been a political football or a political boondoggle to certain people since the beginning. I didn't realize when I jumped into this operation over a year ago what a crucifixion you can take if you get involved in the sugar mill. I am sure that the members of the Guarantee Authority have finally begun to get the same feeling. So when this proposition was offered to them, I think they very wisely made the decision that perhaps it should become a legislative matter and thereby involving all of us, which makes it very nice and homey here; we can decide what to do with the sugar factory.

With respect to Senator Curtis' remarks on private enterprise and whether or not

the incorporators of the mill, the original eleven, were aware of the certain risks that they would have to take, I think they were. I know most of these men personally. They are extremely successful Aroostook County farmers, as a matter of fact. And I think if anybody can oversee the final plans and the final efforts to get this industry going, although they don't know a great deal about the manufacture of sugar, they certainly are successful Aroostook County businessmen and I think they can do it. And I think they realize the risks.

What you have here, as I mentioned a few minutes ago, is 18 cent sugar, and it is hard to raise money when you have got 18 cent sugar. Now, if you have 18 cent sugar and you are trying to raise some money for that plant, there is a lawsuit there, your natural inclination is to get rid of the lawsuit the best way that you can. I will say again there may be a better way to get rid of the lawsuit than this document, 2032. I don't know, but I think I can find out in the next week. I have been working on this for a couple of days, and I think maybe we might be able to make a little progress. If we don't, we can always continue to debate this bill.

I think we should go ahead with the acceptance of this report, Mr. President.

The PRESIDENT: The Chair recognizes the Senator from Penobscot, Senator Pray.

Mr. PRAY: Mr. President and Members of the Senate: First of all, I would like to apologize to the Aroostook delegation for not being able to make the meeting yesterday, for two reasons. One, I didn't know they had one, and second, I had my own committee hearings.

In looking over the amendment, I am quite intrigued with the fact that the first section of the amendment is changing the name of the company that is going to be guaranteed, and second of all to the continued reference to the Maine farmers in Aroostook County, and then the Austrian Company and the New York firm. Is this for the Maine farmers, or are the Maine farmers the majority owner in this? Are they a minority? Is it the Maine farmer that we are helping, or is it an Austrian Company and a New York firm?

The PRESIDENT: Is the Senate ready for the question?

The Chair recognizes the Senator from Cumberland, Senator Merrill.

Mr. Merrill of Cumberland then moved that the Bill be tabled and Specially Assigned for March 2, 1976, pending Acceptance of the Committee Report.

On motion by Mr. Gahagan of Aroostook, a division was had. 17 having voted in the affirmative, and seven having voted in the negative, the motion prevailed.

The Committee on Public Utilities on, Bill, "An Act Creating the Winter Harbor Utilities District." (H. P. 1838) (L. D. 2003)

Reported that the same Ought to Pass as Amended by Committee Amendment "A" (H-928).

Comes from the House, the Bill Passed to be Engrossed as Amended by Committee Amendment "A".

Which report was Read and Accepted in concurrence and the Bill Read Once. Committee Amendment "A" was Read and Adopted in concurrence and the Bill, as Amended, Tomorrow Assigned for Second Reading.

Second Readers

The Committee on Bills in the Second Reading reported the following:

House

Bill, "An Act Appropriating Funds to the Maine Chapter of the Epilepsy Foundation of America." (H. P. 1907) (L. D. 2094)

Which was Read a Second Time and Passed to be Engrossed, in concurrence.

Senate — As Amended

Resolve, Authorizing the Bureau of Public Lands to Convey the State's Interest in 4 Lots in Kingman, Penobscot County. (S. P. 661) (L. D. 2086)

Which was Read a Second Time and Passed to be Engrossed, as Amended. Sent down for concurrence.

Enactors

The Committee on Engrossed Bills reported as truly and strictly engrossed the following:

An Act to Revise Definition of "Case" Under Sardine Tax Law. (H. P. 1971) (L. D. 2160)

An Act to Increase the Number of Trustees of Nasson College. (H. P. 1852) (L. D. 2021)

Which were Passed to be Enacted and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

Constitutional Amendment

Resolution, Proposing an Amendment to the Constitution Allowing the Governor Ten Days to Act on Legislation. (H. P. 1970) (L. D. 2159)

The PRESIDENT: This is a Constitutional Amendment and requires the affirmative vote of two-thirds of those present for passage. The Chair will order a roll call. All those in favor of the passage of this resolution will vote "Yes"; those opposed "No".

The Secretary will call the roll.

ROLL CALL

YEAS: Senators Carbonneau, Clifford, Collins, Conley, Corson, Cummings, Curtis, Gahagan, Graffam, Graham, Greeley, Hichens, Huber, Jackson, Johnston, McNally, Roberts, Speers, Thomas, Trotzky, Wyman.

NAYS: Senators Berry, E.; Merrill, O'Leary, Pray, Reeves.

ABSENT: Senators Berry, R.; Cianchette, Cyr, Danton, Katz, Marcotte.

A roll call was had. 21 Senators having voted in the affirmative, and five Senators having voted in the negative, with six Senators being absent, and 21 being more than two-thirds of those Senators present and voting, the Resolution was Finally Passed and, having been signed by the President, was by the Secretary presented to the Secretary of State.

Orders of the Day

The President laid before the Senate the following tabled and Specially Assigned matter:

Joint Order — Relative to Committee on Education reporting out a Bill creating a Commission on Education Financing. (S. P. 728)

Tabled — February 26, 1976 by Senator Conley of Cumberland

Pending — Passage.

On motion by Mr. Conley of Cumberland, retabled pending Passage.

On motion by Mrs. Cummings of Penobscot,

Adjourned until Monday, March 1, 1976, at 11 o'clock in the morning.